

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 EB-07 COME-00 TRSE-00 JUSE-00  
L-03 SS-15 SP-02 CIAE-00 INR-07 NSAE-00 /045 W  
-----302025Z 035964 /43

P 302002Z DEC 76  
FM AMEMBASSY MEXICO  
TO SECSTATE WASHDC PRIORITY 9442

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EO 11652: NA  
TAGS: EGEN SNAR MX  
SUBJECT: IMPROPER PAYMENTS IN MEXICO BY AMERICAN HOSPITAL  
SUPPLY CORPORATION

1. RESPONDING TO UPI STORIES CARRIED IN MEXICO PRESS THIS MORNING ABOUT AMERICAN HOSPITAL SUPPLY CORPORATION'S IMPROPER PAYMENTS IN MEXICO AND SAUDI ARABIA, GOM'S FIRST DEPUTY AG CALLED EMBASSY TO ASK IF SEC WOULD "SHARE INFO" WITH GOM'S AG.

2. IT IS WORTH NOTING THAT REQUEST FOR HELP CAME INTO EMBASSY NARCOTICS ASSISTANT UNIT AND THAT CALLER, ROSALES MIRANDA, IS KEY PERSON IN US/MEXICO COOPERATIVE NARCOTICS PROGRAM. OBVIOUSLY EMBASSY WANTS TO RESPOND AFFIRMATIVELY AND AS QUICKLY AS POSSIBLE.

3. ON BASIS OF PREVIOUS EXPERIENCE IN GENERAL TIRE COMPANY CASE, WE HAVE GIVEN TENTATIVE AFFIRMATIVE REPLY, AND PRESUME SAME PROCEDURES (I.E. GOM SIGNS AGREEMENT WITH U.S. JUSTICE DEPARTMENT) WOULD APPLY.

4. ALSO THIS MORNING EMBASSY RECEIVED TELEPHONE CALL FROM MR. LARRY STOCKMAN, GENERAL DIRECTOR OF AMERICAN HOSPITAL SUPPLY IN MEXICO, WHO IS PRESENTLY IN CALIFORNIA DUE TO SICKNESS

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OF HIS FATHER. MR. STOCKMAN ASKED IF EMBASSY BELIEVED HE WOULD BE SUBJECT TO ANY PERSONAL RISK OR UNPLEASANTNESS IF HE RETURNS TO MEXICO. HE SAID HE IS ABSOLUTELY NOT INVOLVED HIMSELF, HAVING BEEN HERE ONLY A YEAR, AND HAVING BROUGHT TO AN END POLICY OF MAKING "PAYMENTS".

5. E/C COUNSELOR TOLD MR. STOCKMAN THIS WAS A DECISION HE  
WOULD HAVE TO MAKE HIMSELF, BUT THAT IF HE WAS PERSONALLY  
BLAMELESS, HE NEED NOT FEAR ANY LONG RUN TROUBLE. AT THE SAME  
TIME GOM'S ADMINISTRATION IS EVEN MORE INTERESTED THAN  
PREVIOUS ADMINISTRATION IN CRACKING DOWN ON MISDOINGS IN MEXICO,  
PARTICULARLY THOSE THAT ARE PUBLICLY IN PRESS. WE POINTED OUT  
THAT LOCAL MANAGER OF GENERAL TIRE SUBSIDIARY, WHILE ALSO  
PERSONALLY BLAMELESS WAS QUESTIONED AND HELD INCOMMUNICADO  
IN EARLY STAGES OF GOM'S INVESTIGATION. WE SUGGESTED THAT  
MR. STOCKMAN CONTACT ARA-MEX (DREYFUSS OR FALK) IN DEPT FOR  
FURTHER ADVICE AND POSSIBLY OFFER HIS PERSONAL ASSISTANCE  
THROUGH MEXICAN EMBASSY IN WASHINGTON.

JOVA

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DRUG CONTROL, ALLEGATIONS, FRAUDS, PROGRAMS (PROJECTS), HOSPITALS, INVESTIGATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MEXICO16261  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760476-0547  
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**Handling Restrictions:** n/a  
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**Line Count:** 74  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** coburnhl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 JUL 2004  
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**Status:** NATIVE  
**Subject:** IMPROPER PAYMENTS IN MEXICO BY AMERICAN HOSPITAL SUPPLY CORPORATION  
**TAGS:** EGEN, SNAR, MX, US, (MIRANDA, ROSALES)  
**To:** STATE  
**Type:** TE  
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